



How to Use Goals to Achieve Business Success: First Steps for New Entrepreneurs

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Most of us set goals and objectives everyday, perhaps without even knowing it. When you wake up in the morning, you might find yourself mentally creating your to-do list, in essence creating goals and objectives for that day. Many people find it helpful to create a to-do list on paper and check off items as they accomplish them. While you can use the principles of writing goals and objectives in any area of life, they prove particularly useful for complicated matters such as starting a business.

Why Are Goals Important?

Many have likened goals to a road map—they help identify where you are going and how you will get there. Others have described them as the rudder of a boat, which keeps you on course toward your destination. Goals are of critical importance for entrepreneurs because of the potential impact a new business has on personal resources like time and money. Without goals, these scarce resources can dwindle away before you even realize it.

In this frantic world of information overload, it's not surprising that a key reason for failing to reach goals is because they were not written down. There are four primary benefits to capturing goals on paper. First, goals become more concrete. This process forces you to not only identify the desired outcome but the steps, also known as objectives, necessary to achieve that goal. Second, documentation helps you to

Audience: Beginning business managers

Content: Reviews the purpose of goals, how to set them, and how to track progress

Outcome: Reader should be able to understand how to use goals to identify tasks critical to the business's success and set up a tracking system for accomplishing them

prioritize goals and objectives according to duration and importance. Third, this process enables you to track progress towards goals, allowing you to recognize when you are in danger of not meeting a goal. Fourth, documenting all goals and objectives can make the process of starting a business much less intimidating and overwhelming.

How to Write Goals, Objectives, and Tasks

If a goal is the desired outcome, then objectives can be thought of as the tasks critical to the success of that overriding goal. In other words, you will not achieve a goal if you do not meet the underlying objectives of that goal. For this reason, it is important to create objectives that are concise and allow you to determine whether or not you have met them.

You can find more information about writing SMART objectives in [EC-727, *Defining Your Business through Goals and Objectives: First Steps for New Entrepreneurs*](#). Example 1 illustrates the concept of how one might specify goals and objectives for a new bakery business started by a woman named Isabel.

Example 1—The Bakery: Goal and Objectives

Goal: Start a bakery specializing in special event cakes within the next six to 12 months.

- Objective 1:** Write a business plan within the next three months.
- Objective 2:** Contact an attorney, realtor, and banker for technical assistance as I start my business in the next six to 12 months.
- Objective 3:** Generate \$10,000 in sales in my first year of business.

Without the objectives that outline the critical steps to starting this new bakery business, the process of achieving the overall goal would be quite vague. The same could be said for the objectives if more detail were not provided. To turn objectives into actionable statements, you must identify tasks, and in so doing, you can identify all the steps necessary to accomplish a certain objective. Example 2 uses the new bakery business to illustrate this concept.

Example 2—The Bakery: Action Plans

- Objective 1:** Write a business plan within the next three months.
 - Task 1.** Assess my strengths and weaknesses.
 - Task 2.** Write a vision and mission statement.
 - Task 3.** Identify potential customer attributes.
 - Task 4.** Identify the target market.
 - Task 5.** Determine market potential.
 - Task 6.** Identify and assess bakeries in the area.
 - Task 7.** Research the industry.

One of the benefits of identifying tasks that support the overall objective is that the process makes it easier to prioritize. Quite often, the order in which you must accomplish tasks becomes very clear as you essentially create a to-do list.

Using the previous example, it is logical that Isabel must accomplish task four, identify the target market, before beginning task five, determine market potential. After all, how would she know the market potential if she hasn't yet identified that market? Sequentially ordering tasks is also beneficial in that it greatly enhances your ability to track goals.

Tracking Your Progress

One of the most difficult aspects of tracking goals and objectives is identifying the time required to accomplish each task, objective, and/or goal. The best way to do this is to consider the resources and time required to complete the task.

For example, is the task something that you can accomplish yourself, or will it take the involvement of an outside party? If you will handle the task, how many other constraints on your time exist that may influence your ability to complete the task on time? If the task will require the involvement of another, consider the actual time of the task as well any other potential hindrances. For example, getting a building permit signed may actually take only minutes, but paperwork processing time may translate into two weeks.

Regardless of how you will accomplish the task, make sure to realistically evaluate the time involved. Failure to do so will result in creating a timeline that is unrealistic, which will lead to missed deadlines and, ultimately, a sense of failure.

The process of identifying goals and objectives takes some time. All of that effort could be wasted if there were not a method in place to make sure tasks were completed. This has a domino effect, for if you do not complete tasks, then you cannot accomplish your objectives, which then means that you do not achieve your goals.

Fortunately, there are many methods and tools to help you do the job of tracking progress. These range from very simple methods such as using a calendar to much more complex options such as computer software packages and interactive Web-based tools. Because it is possible to become so involved in doing the list that you lose sight of the reason for doing it, you should use the simplest method appropriate for the job.

In this case, we will discuss using a simple calendar to track the progress of goals and objectives.

Example 3 again uses the new bakery business to illustrate the concept of how to use a calendar to track goals and objectives. This example tracks tasks and the overriding objective statement, but you can use this method to track objectives and goals as well.

Example 3—The Bakery: Tracking Objective Deadlines

Objective 1: Write a business plan within the next three months.

Today's Date: January 1, 2005

Objective 1 Due Date: January 1 + 3 months = March 31

Calendar Entry: March 31, 2005

- Deadline for writing business plan

Objective 1 for the new bakery business states that the business plan will be completed within three months. If it is assumed that today is January 1, 2005, it can be easily determined that this objective must be completed by March 31 to be accomplished on time. Using a calendar not only helps to set an actual due date, but it also helps to ensure that you do not overlook the deadline. By entering the date onto the calendar, you are able to visually see what needs to be accomplished on a specific date.

You should repeat this process of determining deadlines for each task that supports the overall objective. Again using the bakery example, if March 31 is the deadline for completing Objective 1, then all supporting tasks must also be completed by this date. Because we have identified the logical sequence of events when ordering tasks, we can use Task 1 to begin calculating all task deadlines. Adding together the estimated number of hours/days to complete the task beginning with the start date will result in a deadline for each task. Example 4 illustrates how to perform these calculations.

Example 4—The Bakery: Tracking Task Deadlines

Today's Date: January 1, 2005

Objective 1 Due Date: January 1 + 3 months = March 31

Task 1. Assess my strengths and weaknesses.

Estimated Time	Start Date	End Date
4 hours	January 3 + 4 hours	= January 3

Task 2. Write a vision and mission statement.

Estimated Time	Start Date	End Date
10 days	January 4 + 10 days	= January 13

Task 3. Identify potential customer attributes.

Estimated Time	Start Date	End Date
6 hours	January 17 + 6 hours	= January 17

Task 4. Identify the target market.

Estimated Time	Start Date	End Date
2 days	January 18 + 2 days	= January 19

Task 5. Determine market potential.

Estimated Time	Start Date	End Date
1 month	January 24 + 1 month	= February 21

Task 6. Identify and assess bakeries in the area.

Estimated Time	Start Date	End Date
8 days	February 22 + 8 days	= February 28

Task 7. Research the industry.

Estimated Time	Start Date	End Date
24 days	March 1 + 24 days	= March 24

It should be noted that three assumptions were made to make this illustration as simple as possible. The first is that each task will be accomplished by the business owner. If this were not the case, other factors such as time constraints for others involved would have to be considered.

The second assumption is that tasks are completed in sequential order. However, some tasks may be accomplished concurrently. For example, instead of identifying and assessing bakeries in the area (Task 6) before researching the industry (Task 7), Isabel could have chosen to work longer hours so that she could accomplish both tasks during the same time period.

The third assumption is that the timeline would involve the entire calendar month. This arrangement could be altered to exclude weekends if Isabel could accomplish the same amount of work in less time.

After determining the deadline for each task, the next step is to go to the calendar and write down each task deadline. Example 5 provides the calendar entry for Task 1.

Example 5—The Bakery: Tracking Task Deadlines

Task 1: Assess my strengths and weaknesses.

Today's Date: January 1, 2005

Task 1 Due Date: January 3 + 4 hours = January 3

Calendar Entry: January 3, 2005

- Deadline for assessing personal strengths and weaknesses
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The process of tracking goals, objectives, and tasks isn't really hard. The most challenging part is the discipline required to establish a system and follow it. The time and effort spent setting up this system is well worth it if the result is met deadlines and accomplished goals. If some tracking mechanism were not in place, it would be very difficult to complete tasks, which would lead to unmet objectives, which translates into missed goals.

Furthermore, the tracking process helps to identify when a goal, objective, and/or task is in jeopardy of not being met. If the ultimate goal is starting a new business, this could have serious consequences such as lost time and money.

Missed Deadlines

There will be situations where the unforeseeable happens. This could be anything from a personal event, such as an illness, that causes an unexpected delay, to something that may be out of your control, such as an unanticipated office closing. Because these circumstances can occur even in the most carefully devised plans, it is important to recognize the potential for these types of events.

There are other times when the unmet deadline is your responsibility. If this is the case, there are a few questions you should consider. Was the reason for the unmet deadline an unrealistic timeframe? Were the resources underestimated? What can be done differently to develop better estimates?

Neither case negates the importance of putting together a realistic timeline for accomplishing goals, objectives, and tasks. Rather, it means that there should be a method in place to handle these situations if and when they do take place. Regardless of the cause for the delay, you will need to determine how many days this will cost and adjust deadlines accordingly. If you have built some lag time into the tracking system, this may help alleviate some of the problem caused by the unexpected.

In Example 4, all seven tasks are scheduled for completion by March 24, although the deadline for Objective 1 (to write the business plan) is not until March 31. This week between deadlines not only allows for time to assemble all the materials and write the business plan, but also allows flexibility if an unexpected delay should occur.

However, you should use the practice of padding, or overestimating, deadlines with caution. While incorporating some time to account for contingencies may increase your ability to meet scheduled deadlines, the reverse can also be true. That is, overestimating timeframes can lead to due dates that have no real meaning—and that's as bad as creating no plan at all.

Final Comment

Specifying and accomplishing goals and objectives are critical to the success of a business because they help identify the road map of how to proceed. Without this road map, you could get lost along the way.

There are several benefits to documenting goals on paper. They become more concrete, they can be prioritized and tracked for progress, and they become much less daunting when you break them down into more manageable pieces. The tracking aspect is extremely important, because this will allow you to determine if and when a goal, objective, or task will be met—or perhaps more important, unmet. When a you do not make a deadline, you must make adjustments to ensure that the project gets back on schedule, so that future deadlines are not also jeopardized.

Using goals and objectives is not difficult. However, creating them does take time and requires thought. Sometimes the most challenging part is putting something down on paper. However, the benefits far outweigh the costs, and when used correctly, the process can greatly enhance your chances at achieving your goals.

Resources

Baker, Sunny and Kim Baker. 1998. *The Complete Idiot's Guide to Project Management*. New York, NY: Alpha Books.

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<http://www.ces.purdue.edu/extmedia/EC/EC-727.pdf>

